

**MINUTES OF  
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST  
FINANCE COMMITTEE MEETING  
HELD ON AUGUST 15, 2019**

PRESENT: Quentin D. Dastugue, Chair  
Mark L. Morgan, Committee Member  
Lambert J. Hassinger, Jr., Committee Member

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The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (FPA or Authority) met on August 15, 2019, in the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, Louisiana. Mr. Dastugue called the meeting to order at 10:35 a.m.

**Opening Comments:** None.

**Adoption of Agenda:** The Committee adopted the agenda as presented.

**Approval of Minutes:** The Committee approved the minutes of the Finance Committee meeting held on June 20, 2019.

**Public Comments:** None

**Regional Finance Director's Report:** Kelli Chandler, Regional Finance Director, reviewed the highlights of her report:

- The Fiscal Year (FY) 2019 financial audit is in progress and is going more smoothly than in prior years. Utilizing one financial system for the FPA and levee districts and standardizing processes has been of great benefit. One remaining item is the transfer of assets from the Lakefront Management Authority (formerly Non-Flood Protection Asset Management Authority) to the FPA's books. Meetings were held with Lakefront Management Authority (LMA) staff to finalize numbers. LMA staff is removing and writing off items that no longer exist and will share this information with FPA staff in order to record the assets. Most of the LMA funds are Enterprise Funds, which are not government related or government activities; therefore, the FPA will set up a separate Enterprise Fund to hold the assets (e.g., marinas, Lakefront Airport, parks and shelters) and separate them from the FPA's government related assets (e.g., levees).
- Positive pay for ACH transactions was implemented in August in order to prevent fraudulent activity.
- An escrow account with about \$2.3 million was set up by the East Jefferson Levee District (EJLD) based on a pre-Katrina agreement with the U.S. Army Corps of Engineers (USACE) to cover the EJLD's cost share for work performed by the USACE. The bank and FPA's auditors inquired about liquidating the account set up in the 1990's due to its age; however, only the USACE can draw down the account. The USACE is finalizing project costs and has determined

that the EJLD will owe the money for its cost share. Finance is waiting on a request from the USACE to liquidate the account.

- DrillPoint, which was implemented for report writing, has not been stable and does not provide all of the desired data. Therefore, Finance is evaluating various software solutions for enhanced reporting capabilities for contract tracking, budget to actuals and other purposes. Spreadsheet Server, which can query multiple data sources [e.g., MIP (accounting software), Microid (purchasing software) and Primavera] and combine the data in various reports is currently being evaluated.
- A budget variance policy is being developed to address unbudgeted items.
- Ms. Chandler advised that she toured the pump stations, Caernarvon structure and drainage canals in the Lake Borgne Basin Levee District.

Mr. Morgan asked about the use of new purchasing policy. Ms. Chandler explained that Finance is meeting with various staff members to discuss and work toward automating processes. Staff is obtaining a better understanding of the procedures.

### **New Business:**

#### **A. Discussion of the proposed establishment of two dedicated accounts at Capital One Bank for Orleans Levee District (O.L.D.) and East Jefferson Levee District (EJLD) Police Details and to provide for signatories for said accounts.**

Mr. Morgan advised that Stevan Spencer, Chief Engineer, who is one of the designated signatories for FPA/levee district checking accounts, announced that he is retiring from State service. He recommended that the draft resolution to establish the O.L.D. and EJLD dedicated accounts for police details be amended by the Board to update the signatories for all FPA/levee district checking accounts. FPA policy requires one signature on checks under \$5,000 and two signatures on checks over \$5,000. Derek Boese, Chief Administrative Officer (CAO), recommended that the designated signatories be the President, Treasurer, CAO, Deputy CAO and Director of Engineering.

Ms. Chandler explained that the purpose of the two dedicated accounts is to provide greater visibility for police details and the inflow/outflow of money and better control.

The Committee will recommend that the Board approve the establishment of the two dedicated accounts for O.L.D. and EJLD Police Details and that the Board amend the resolution to update the signatories on all FPA/levee district checking accounts to the President, Treasurer, CAO, Deputy CAO and Director of Engineering.

Ms. Chandler advised that the FPA must publish notices in September related to the Orleans Levee District's roll back/roll forward of ad valorem millage rates. The Board must adopt the resolutions certifying the O.L.D.'s ad valorem millage rates at its October meeting. Data is anticipated to be received soon from the City of New Orleans regarding the reassessed property values.

There was no further business; therefore, the meeting was adjourned at 10:50 a.m.